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Acting DCI Commends Agency Performance, Cites High Morale and Responsiveness

Acting Director Richard J. Kerr describes the Agency's performance as "extraordinarily broad, diverse and strong," citing as examples CIA's record on the Soviet coup, the breakup of Yugoslavia, support for UN inspections of Iraq, and "how quickly we are moving in the Soviet Union and Eastern Europe to take advantage of the new opportunities there."

"This is not an Agency that is waiting around to be told what to do," Kerr says. "We have strong initiative throughout the ranks, and a clear sense of our role in supporting the policymakers."

Kerr points out that a "given" in the relationship between intelligence and policy is the difficulty in handling warnings of impending crises. "If the warning is clear and precise, the policy maker will be blamed for not acting clearly and precisely; if the warning is ambiguous, then we'll be blamed for waffling or not predicting the crisis. But that's nothing new; it's in the nature of the relationship."

That relationship is a healthy one, Kerr says, involving strong support from policymakers, and the President in particular.

Kerr notes that there is strong support for CIA in the Congress as well, although he acknowledges there is continuing concern about oversight and about what would be seen there as a misuse of intelligence by the Executive branch. "There is some uncertainty about the future role of intelligence," he says, "but not on the need for it; it's more a matter of just how to define it and focus it."

Kerr believes the Agency has "probably not done as well as we should" in getting across that "we have already adjusted in significant ways to the demands of new intelligence challenges." Congressmen, he notes, don't see in budget and program terms all these changes, because they don't necessarily involve large numbers of people and major sums of money. "They also do not have time to follow our products and track how we've

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responded and adjusted," he observes. "and we need to do better at conveying that."

The Acting DCI takes account of concerns that CIA's role and independence might be diminished relative to Defense, but believes that will not turn out to be the case. "There will be debates and some bureaucratic wrestling over missions and functions and turf," he says, "but I would argue that CIA will emerge with a better focus and more responsibility rather than less." Kerr sees the DCI getting greater direct authority, but with it a greater responsibility to find ways to support Defense and military commanders in the field whenever U.S. forces are deployed.

Kerr has publicly expressed—in an 18 September speech at the Naval War College, at CIA's Family Day on 21 September, and in his 24 September testimony at the Gates hearings—his conviction that Agency morale is high and that its performance is highly professional and effective. He told the Senate Select Committee on Intelligence that "we are used to criticism, we are used to scrutiny, and we go on getting the job done."

Kerr says the post-Cold War period presents "a set of problems and a complexity of problems that from an intelligence perspective and a policy perspective are very challenging, and in many ways I think we are going to find them much more challenging than the world that's faced us in the past." The Agency is moving forward, he says, already adapting to new requirements, responding to new requests and identifying new challenges and opportunities.

From the Director of Public Affairs

The last six months have been hectic for all of us at CIA. We in Public Affairs spent much of our time talking to the press and the various publics about Iraq, the Soviet Union, BCCI, allegations made on ABC's "Nightline," the Rochester Institute of Technology (RIT) and academic freedom, the proposed facility consolidation plan, Iran-Contra, and the role of the CIA in a post-cold war universe.

We worked hard to point out that the Iraqi invasion of Kuwait in August 1990 and the failed Soviet Coup this past August were not intelligence failures—rather, they were intelligence

successes; that CIA was not implicated in any way with BCCI—rather, we targetted BCCI and reported on their nefarious activities; that ABC Nightline's numerous allegations that CIA was involved with the transfer of arms and weapons technology to Iraq were untrue and irresponsible; that CIA's relationship with RIT was legal and proper and commendable, given the need for CIA to reach out to the best and brightest in the U.S.; that the CIA facility consolidation plan was not conspiratorial or improper.

Basic to everything we have been doing in Public Affairs is the

need to better explain the mission of CIA; to talk about the people who work for CIA and the integrity of our product. We also have been talking about the role of intelligence in a rapidly changing, complex world. We must now work harder at explaining why the CIA is needed and why the mission of CIA is more difficult in a world absent a menacing Soviet monolith.

I think you'll find this edition of *The Public Eye* timely and interesting. Please share your views with us in Public Affairs.

Joe DeTrani

Agency Refutes "Nightline" Allegations

ABC's "Nightline," hosted by Ted Koppel, broadcast a number of programs during the summer alleging that a covert CIA operation supplied Iraq with U.S. arms and weapons technology. "Nightline," which teamed up with *The Financial Times* (UK) in this "investigation," said the operation included indirect shipments through South Africa and the Chilean arms dealer Carlos Cardoen, and that DCI-designate Robert Gates was "deeply involved."

The Agency aggressively responded to "Nightline's" baseless allegations, though the program generally dismissed CIA's responses and denials of wrongdoing. Fortunately, most major newspapers, wire services, and television networks realized the "Nightline" claims were without merit and did not replay them.

Prior to "Nightline's" 13 September program on the allegations, which aired several days before the beginning of the Gates confirmation hearings, Koppel and several of his producers visited the Agency to discuss the charges in his series.

PAO Director Joseph DeTrani and General Counsel Elizabeth Rindskopf pointed out the need to protect sensitive CIA sources and methods, noted the questionable credibility and motivation of "Nightline's" sources, and explained that an IG review found no factual support whatsoever for a covert operation or the involvement of Gates.

The 13 September "Nightline" contained a highly unusual opening in which Koppel said, "What we have learned . . . has

failed to produce specific additional information directly implicating Robert Gates (in any wrongdoing). With the man's career in the balance, that needs to be said."

In his confirmation hearings on 16 September, Gates had an opportunity to refute all of the "Nightline" allegations.

CIA Responds To RIT Panel

While the whirl of media coverage on CIA's links with the Rochester Institute of Technology (RIT) has died down, the relationship is under scrutiny by an 11-member review panel comprised of faculty members and trustees who hope to complete their review by mid-November 1991.

A Public Affairs Officer and an OGC Attorney recently met with the panel and were favorably impressed by commitments made to protect information bearing on matters sensitive to the Agency. In turn, CIA is cooperating as fully as possible in facilitating the inquiry.

Throughout CIA's history, contacts with universities have been vital to carrying out our mission of informing and improving the understanding of the US Government about developments around the world that affect national security. CIA and a university both gain from such an ongoing dialogue, but the ultimate beneficiary is the country.

The CIA-RIT association has been productive, and Rochester media allegations that CIA has tried to influence RIT's curriculum or that any student has benefited improperly from association with the Agency are wholly without foundation.

Setting Straight The BCCI Record

The unfolding saga of the Bank of Credit and Commerce International (BCCI) was a major news story this summer, and the CIA was prominently mentioned in a number of inaccurate, sensational stories on this far-reaching financial scandal. One major magazine even accused the CIA of collaborating with a BCCI "black network," which was involved in "bribery, extortion, kidnapping and even, by some accounts, murder."

The CIA expeditiously responded to these allegations, noting that they were "absurd." The Agency also indicated that it was not involved in any illegal use of the bank.

Acting DCI Richard J. Kerr had an opportunity to address this issue during an appearance at the National Press Club in early August. In response to a question, Kerr said an internal investigation had shown that the CIA's dealings with the bank were "absolutely legal." He also said the Agency had been "aggressively" collecting information about BCCI and had disseminated reports on the bank's role in money laundering, narcotics, and terrorism since the early 1980s.

Kerr's candid public statement received extensive press coverage, and the rampant media speculation concerning CIA's dealings with the bank has dissipated.